

# ARVIND FASHIONS LIMITED

A MEMBER OF THE LALBHAI GROUP

Corporate Office: Du Parc Trinity, 8th Floor, 17, M.G. Road, Bengaluru - 560 001

Tel : 91-80-4155 0601, Fax : 91-80-4155 0651

Website : <http://www.arvindfashions.com>

Date: February 03, 2021

BSE Limited  
Listing Dept. / Dept. of Corporate Services  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001

National Stock Exchange of India Ltd.  
Listing Dept., Exchange Plaza, 5th Floor  
Plot No. C/1, G. Block  
Bandra-Kurla Complex  
Bandra (E)  
Mumbai - 400 051

Security Code : 542484  
Security ID : ARVINDFASN

Symbol : ARVINDFASN

Dear Sir/ Madam,

**Sub: Outcome of the Meeting of the Board of Directors of Arvind Fashions Limited (“the Company”) held on February 03, 2021**

**Ref: Regulation 30 and 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”)**

Further to our letters dated January 25, 2021 and January 31, 2021 for intimation of Board Meeting, and in accordance with the provisions of Regulation 30 of the SEBI LODR Regulations, this is to inform that the Board of Directors of the Company, at its meeting held today (i.e., on February 03, 2021) has, *inter alia*, considered and approved the following business:

1. Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended on December 31, 2020 along with Limited Review Reports by the Sorab S. Engineer & Co., Statutory Auditors of the Company, for the said quarter and nine months;
2. Raising of funds through issuance and allotment of equity shares of face value of Rs. 4 each (“Equity Shares”) for an aggregate amount of up to Rs. 200 crores (Rupees Two Hundred Crores), on a Rights basis to the eligible equity shareholders of the Company as on a record date (to be notified subsequently) on such terms and conditions as may be decided by the Board or Committee thereof subject to receipt of regulatory/statutory approvals, in accordance with the applicable laws including the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and rules made thereunder, as amended from time to time (“Rights Issue”); and
3. Delegation of powers to Committee of Directors in respect of Rights Issue including powers to decide all terms and conditions for Rights Issue and the matters connected and incidental thereto.

Pursuant to Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following:

- a. Unaudited Standalone and Consolidated Financial Results of the Company for the third quarter and nine months ended on December 31, 2020, along with Limited Review Reports.
- b. A copy of the press release being issued by the Company in respect of unaudited financial results for the third quarter and nine months ended on December 31, 2020.



**ARVIND**

Regd Office : Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad-380 025  
CIN: L52399GJ2016PLC085595

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Corporate Office: Du Parc Trinity, 8th Floor, 17, M.G. Road, Bengaluru - 560 001  
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- c. Investor Presentation on unaudited financial results for third quarter and nine months ended on December 31, 2020 issued in this regard.

The meeting of the Board of Directors commenced at 11:30 a.m. and concluded at 1:30 p.m.

You are requested to bring this to the notice of all concerned.

Thanking you,

Yours faithfully,  
For Arvind Fashions Limited,

  
Vijay Kumar B S  
Company Secretary & Compliance Officer  
Membership No.: FCS 10,458  
Encl: As above.



**Arvind**

Regd Office : Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad-380 025  
CIN: L52399GJ2016PLC085595

**SORAB S. ENGINEER & CO. (Regd.)**  
**CHARTERED ACCOUNTANTS**

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804, SAKAR-IX,  
BESIDES OLD RBI,  
ASHRAM ROAD,  
AHMEDABAD-380 009

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDLAONE FINANCIAL RESULTS OF ARVIND FASHIONS LIMITED**

**TO THE BOARD OF DIRECTORS OF ARVIND FASHIONS LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Arvind Fashions Limited ("the Company") for the quarter and nine month ended December 31, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention to note 4 of the Statement which describes the uncertainties and management's assessment of the financial impact due to COVID-19 pandemic situation, for which a definitive assessment in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

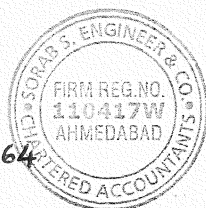
For **Sorab S. Engineer & Co.**  
Chartered Accountants  
Firm Registration No. 110417W

*Chokshi Shreyas B.*

**CA. Chokshi Shreyas B.**  
Partner

Membership No.100892

UDIN: 21100892AAAAcY5564



Ahmedabad  
February 03, 2021

Head Office : 902, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai-400 021.  
Telephone : +91 22 2282 4811, 2204 0861 • Email : sorabsengineer@yahoo.com, ssemum@sseco.in

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Corporate Office: Du Parc Trinity, 8<sup>th</sup> Floor, 17, M.G Road, Bengaluru - 560 001

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## Statement of Unaudited Standalone Financial Results for the Quarter and Nine Months Ended December 31, 2020

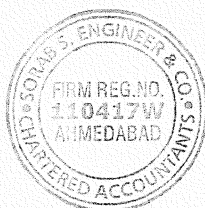
(Rs. in Crores except per share data)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.20	30.09.20	31.12.19	31.12.20	31.12.19	31.03.20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 Income</b>						
(a) Revenue from operations	151.13	58.40	199.11	239.18	648.83	854.11
(b) Other Income	3.81	4.58	3.30	12.79	8.71	12.44
<b>Total Income</b>	<b>154.94</b>	<b>62.98</b>	<b>202.41</b>	<b>251.97</b>	<b>657.54</b>	<b>866.55</b>
<b>2 Expenses</b>						
(a) Cost of Trims and accessories consumed	-	-	0.05	-	0.66	4.52
(b) Purchases of stock-in-trade	36.66	(76.42)	113.89	(22.97)	458.28	577.52
(c) Changes in inventories of stock-in-trade	50.22	101.50	35.59	146.64	(0.79)	4.69
(d) Employee benefits expense	9.51	9.41	12.40	25.04	45.35	56.10
(e) Finance costs	7.15	9.72	11.44	29.24	27.63	37.32
(f) Depreciation and amortisation expense	3.72	4.77	2.02	12.47	7.63	13.04
(g) Other expenses	23.33	12.44	34.86	52.69	126.10	161.43
<b>Total Expenses</b>	<b>130.59</b>	<b>61.42</b>	<b>210.25</b>	<b>243.11</b>	<b>664.86</b>	<b>854.62</b>
<b>3 Profit/(Loss) before exceptional items and tax (1-2)</b>	<b>24.35</b>	<b>1.56</b>	<b>(7.84)</b>	<b>8.86</b>	<b>(7.32)</b>	<b>11.93</b>
<b>4 Exceptional items (Refer Note 4)</b>	-	(45.73)	-	(45.73)	-	(19.26)
<b>5 Profit/(Loss) Before Tax (3-4)</b>	<b>24.35</b>	<b>(44.17)</b>	<b>(7.84)</b>	<b>(36.87)</b>	<b>(7.32)</b>	<b>(7.33)</b>
<b>6 Tax Expense</b>						
Current Tax	-	-	(0.18)	-	-	-
(Excess)/short provision related to earlier years	-	-	-	-	(0.17)	(0.17)
Deferred Tax Charge/ (Credit)	(1.08)	0.04	(3.39)	(0.38)	(2.36)	(2.27)
<b>Total Tax Expense/(Credit)</b>	<b>(1.08)</b>	<b>0.04</b>	<b>(3.57)</b>	<b>(0.38)</b>	<b>(2.53)</b>	<b>(2.44)</b>
<b>7 Net Profit/(Loss) for the period (5-6)</b>	<b>25.43</b>	<b>(44.21)</b>	<b>(4.27)</b>	<b>(36.49)</b>	<b>(4.79)</b>	<b>(4.89)</b>
<b>8 Other Comprehensive Income/ (Loss) (Net of Tax)</b>						
<b>(a) Items that will not be classified to profit and loss</b>						
(i) Re-measurement gain/(loss) on defined benefit plans	0.04	0.55	(0.10)	0.29	(0.48)	(0.26)
(ii) Income Tax related to the item above	(0.01)	(0.17)	0.04	(0.10)	0.17	0.09
<b>(b) Items that will be classified to profit and loss</b>						
(i) Effective portion of gains / (loss) on cash flow hedges	-	-	(0.03)	-	-	-
(ii) Income Tax related to the item above	-	-	0.01	-	-	-
<b>Other Comprehensive Income/ (Loss) (Net of Tax)</b>	<b>0.03</b>	<b>0.38</b>	<b>(0.08)</b>	<b>0.19</b>	<b>(0.31)</b>	<b>(0.17)</b>
<b>9 Total Comprehensive Income/ (Loss) for the Period (7+8)</b>	<b>25.46</b>	<b>(43.83)</b>	<b>(4.35)</b>	<b>(36.30)</b>	<b>(5.10)</b>	<b>(5.06)</b>
<b>10 Paid-up Equity Share Capital (Face Value ₹ 4/- per share)</b>	39.47	39.46	23.47	39.47	23.47	23.47
<b>11 Other Equity</b>	-	-	-	-	-	1,325.79
<b>12 Earning Per Share in Rs (Not Annualised)</b>						
-Basic	3.22	(5.19)	(0.55)	(4.28)	(0.62)	(0.63)
-Diluted	3.19	(5.17)	(0.55)	(4.28)	(0.62)	(0.63)
<b>(See accompanying notes to the Standalone Financial Results)</b>						

As per our report of even date  
For Sorab S. Engineer & Co.  
Chartered Accountants  
Firm Registration No. 110417W

*Chokshi Shreyas B.*  
CA. Chokshi Shreyas B.  
Partner  
Membership No. 100892

Ahmedabad  
February 03, 2021



For Arvind Fashions Limited

*Shailesh Chaturvedi*

Shailesh Chaturvedi  
Managing Director & CEO  
DIN:03023079

Bengaluru  
February 03, 2021



ARVIND

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CIN: L52399GJ2016PLC085595

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## Notes to the Standalone Financial Results:

- 1 The above standalone financial results have been prepared in accordance with Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 2 The above standalone financial results for the quarter and nine months ended December 31, 2020 which have been subjected to review by the Auditors of the Company, were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on February 03, 2020 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The Statutory Auditors have expressed an unqualified audit opinion.
- 3 The Company is primarily engaged in the business of Branded Apparels (Garments and Accessories) which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting segment.
- 4 Due to Covid19, the fashion business has been severely impacted. This has led to lower sales, resulting into inventory build-up and slower collection of receivables. With easing of lockdown restrictions, the company's performance for the current quarter has been progressive and we expect the momentum to continue with an overall improvement in Covid situation.

The Company has taken several steps including raising of equity capital by way of rights issue of Rs. 399.79 Crores, strategic partnership with Flipkart India Private Limited for its youth brands Flying Machine which has resulted in cash flow of Rs. 61.90 Crores, discontinuation of certain brands, sharp reduction in overheads and closure of unviable stores. With objectives of faster releasing cash and have fresh inventory offered to customers, the Group has decided to offer higher discounts to liquidate old inventory rapidly and take back goods sold from customers where collection of funds is getting delayed and sell it through other channels for faster liquidation. In order to achieve these objectives, during the quarter ended December 31, 2020, the Group has made special provision of Rs. Nil consisting of Rs. Nil for Margin on Sales Return and Scheme and Discounts, Rs. Nil for Inventory Dormancy and Rs. Nil for Allowance for Doubtful Debtors. (Quarter ended September 30, 2020 and nine months ended December 31, 2020, Rs. 45.73 Crores, Rs. 7.29 Crores, Rs. 32.44 Crores and Rs. 6.00 Crores respectively; Year ended March 31, 2020: Rs. 19.26 Crores, Rs. 12.52 Crores, Rs. 4.89 Crores and Rs. 1.85 Crores respectively) which are disclosed under Exceptional Items.

The Company believes that this pandemic is not likely to impact the recoverability of the carrying value of its assets further. The Company is closely monitoring the developments and possible effects that may result from the present pandemic on its financial condition, liquidity and operations and working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these Results.

- 5 The Company has transferred by way of sale, the wholesale trading business of "Flying Machine" ("FM") brand as a going concern to Arvind Youth Brands Private Limited (AYBPL), a subsidiary company on a slump sale basis for a lump sum consideration of Rs. 61.90 Crores during the quarter ended September 30, 2020.
- 6 During the quarter, the Company has allotted 27,000 equity shares (quarter ended September 30, 2020: Nil, quarter ended December 31, 2019: Nil, year ended March 31, 2020: 6,84,691) pursuant to exercise of stock options by employees.
- 7 On June 21, 2020, the Board of Directors of the Company had approved the revised size of Rights Issue of 3,99,79,347 shares of face value of Rs. 4 each (the "Rights Issue Shares") at a price of Rs. 100 per Rights Equity Shares (including premium of Rs. 96 per Rights Equity Share) in the ratio of 62:91, i.e. 62 Rights Equity Shares for every 91 existing Equity Shares held by the eligible equity shareholders on the record date, i.e. March 18, 2020. On July 24, 2020, the Company has approved the allotment of 3,99,79,347 equity shares of face value Rs. 4/- each to the eligible equity shareholders as fully paid up. There is no deviation in use of proceeds from the objects stated in the Offer document for Right issue.

Pursuant to IND AS 33, basic and diluted earnings per share for the previous periods have been restated for the bonus element in respect of right issue.

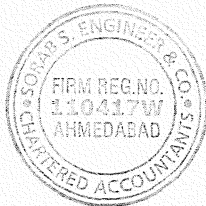
- 8 The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contribution by the Company towards Provident Fund, Gratuity and ESIC. The Code have been published in the Gazette of India. However effective date has yet not been notified. The Company will assess the impact of the Code and will record related impact in the period it becomes effective.
- 9 Previous period's figures have been regrouped/rearranged wherever necessary, to conform to current period presentation.

For **Sorab S. Engineer & Co.**

Chartered Accountants  
Firm Registration No. 110417W

*Chokshi Shreyas B.*  
**CA. Chokshi Shreyas B.**  
Partner  
Membership No. 100892

Ahmedabad  
February 03, 2021



For **Arvind Fashions Limited**

*Shailesh Chaturvedi*

**Shailesh Chaturvedi**  
Managing Director & CEO  
DIN:03023079

Bengaluru  
February 03, 2021



ARVIND

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**SORAB S. ENGINEER & CO. (Regd.)**

**CHARTERED ACCOUNTANTS**

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS OF ARVIND FASHIONS LIMITED**

**TO THE BOARD OF DIRECTORS OF ARVIND FASHIONS LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Arvind Fashions Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter and nine months ended December 31, 2020 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

**Parent Company**

Arvind Fashions Limited

**Subsidiary Companies**

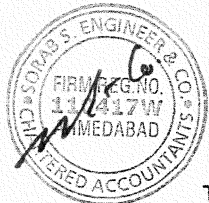
Arvind Lifestyle Brands Limited

Arvind Beauty Brands Retail Private Limited

PVH Arvind Fashion Private Limited (Previously known as Calvin Klein Arvind Fashion Private Limited)

Arvind Youth Brands Private Limited

Value Fashion Retail Limited



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**SORAB S. ENGINEER & CO. (Regd.)**

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to note 4 of the Statement which describes the uncertainties and management's assessment of the financial impact due to COVID-19 pandemic situation, for which a definitive assessment in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

7. We did not review the interim financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 420.13 Crores and Rs. 711.49 Crores, total net loss after tax of Rs. 127.54 Crores and Rs. 337.05 Crores and the total comprehensive loss of Rs. 127.28 Crores and Rs. 335.50 Crores, for the quarter and nine months ended December 31, 2020 respectively. This interim financial result has been reviewed by other auditors whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

8. The consolidated unaudited financial results include the interim financial results of one subsidiary which has not been reviewed by their auditors, whose interim financial results reflects total revenue of Rs. 101.97 Crores and Rs. 155.60 Crores, total net profit after tax of Rs. 5.29 Crores and loss of Rs. 0.58 Crores and total comprehensive profit of Rs. 5.28 Crores and loss of Rs. 0.60 Crores for the quarter and nine months ended December 31, 2020 respectively as considered in the Statement. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

For **Sorab S. Engineer & Co.**  
Chartered Accountants  
Firm Registration No. 110417W

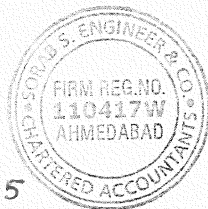
*Chokshi Shreyas B.*

**CA. Chokshi Shreyas B.**

Partner

Membership No.100892

UDIN: 21100892AAAACZ5525



Ahmedabad  
February 03, 2021

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**Statement of Unaudited Consolidated Financial Results for the Quarter and Nine Months Ended December 31, 2020**

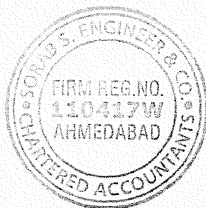
(Rs. in Crores except per share data)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.20	30.09.20	31.12.19	31.12.20	31.12.19	31.03.20
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>A Continuing Operations</b>						
<b>1 Income</b>						
(a) Revenue from operations	901.42	436.83	1,051.61	1,432.59	2,940.26	3,613.57
(b) Other Income (Refer Note 6)	9.71	26.98	10.67	102.73	18.01	59.78
<b>Total Income</b>	<b>911.13</b>	<b>463.81</b>	<b>1,062.28</b>	<b>1,535.32</b>	<b>2,958.27</b>	<b>3,673.35</b>
<b>2 Expenses</b>						
(a) Cost of trims and accessories consumed	-	-	0.26	-	1.60	5.15
(b) Purchases of stock-in-trade	413.33	53.44	421.19	478.78	1,656.98	2,071.95
(c) Changes in inventories	114.15	216.59	160.67	388.46	(24.86)	(84.83)
(d) Employee benefits expense	60.13	58.02	76.53	162.24	244.07	313.06
(e) Finance costs	51.22	56.78	73.28	172.77	205.72	273.55
(f) Depreciation and amortisation expense	66.77	75.78	117.16	219.10	322.09	420.66
(g) Other expenses	239.88	154.24	279.97	481.84	812.03	1,050.45
<b>Total Expenses</b>	<b>945.48</b>	<b>614.85</b>	<b>1,129.06</b>	<b>1,903.19</b>	<b>3,217.63</b>	<b>4,049.99</b>
<b>3 Profit/(Loss) before exceptional items and tax (1-2)</b>	<b>(34.35)</b>	<b>(151.04)</b>	<b>(66.78)</b>	<b>(367.87)</b>	<b>(259.36)</b>	<b>(376.64)</b>
<b>4 Exceptional items (Refer Note 4 and 5)</b>	-	(45.20)	-	(45.20)	-	(60.69)
<b>5 Profit/(Loss) Before Tax (3-4)</b>	<b>(34.35)</b>	<b>(196.24)</b>	<b>(66.78)</b>	<b>(413.07)</b>	<b>(259.36)</b>	<b>(437.33)</b>
<b>6 Tax Expense</b>						
Current Tax	-	-	(2.92)	-	-	(0.17)
(Excess)/short provision related to earlier years	-	-	-	-	(0.17)	(0.17)
Deferred Tax Charge/ (Credit)	9.54	(6.75)	(29.72)	14.52	(94.85)	(77.26)
<b>Total Tax Expense/(Credit)</b>	<b>9.54</b>	<b>(6.75)</b>	<b>(32.64)</b>	<b>14.52</b>	<b>(95.02)</b>	<b>(77.43)</b>
<b>7 Net Profit/(Loss) for the period from Continuing Operations (5-6)</b>	<b>(43.89)</b>	<b>(189.49)</b>	<b>(34.14)</b>	<b>(427.59)</b>	<b>(164.34)</b>	<b>(359.90)</b>
<b>8 Discontinuing Operations (Refer Note 10)</b>						
Profit/(Loss) Before Tax for the period from Discontinuing Operations	(21.73)	(28.30)	(14.12)	(68.95)	(33.02)	(59.09)
Tax Expense/(Credit) on Discontinuing Operations	-	-	-	-	(6.29)	(19.80)
<b>9 Net Profit/(Loss) for the period from Discontinuing Operations (8-9)</b>	<b>(21.73)</b>	<b>(28.30)</b>	<b>(14.12)</b>	<b>(68.95)</b>	<b>(26.73)</b>	<b>(39.29)</b>
<b>11 Net Profit/(Loss) for the period from Continuing Operations and Discontinuing Operations (7+10)</b>	<b>(65.62)</b>	<b>(217.79)</b>	<b>(48.26)</b>	<b>(496.54)</b>	<b>(191.07)</b>	<b>(399.19)</b>
<b>Attributable to:</b>						
<b>Equity Holders of the Parent</b>	<b>(68.00)</b>	<b>(211.76)</b>	<b>(50.86)</b>	<b>(476.53)</b>	<b>(196.40)</b>	<b>(400.74)</b>
Non-controlling interest	2.38	(6.03)	2.60	(20.01)	5.33	1.55
<b>12 Other Comprehensive Income/ (Loss) (Net of Tax)</b>						
<b>(a) Items that will not be classified to profit and loss</b>						
(i) Re-measurement gain/(loss) on defined benefit plans	0.22	3.06	(0.33)	2.45	(1.55)	1.04
(ii) Income Tax related to the item above	(0.16)	(1.04)	0.06	(0.94)	0.49	(0.19)
<b>(b) Items that will be classified to profit and loss</b>						
(i) Effective portion of gains / (loss) on cash flow hedges	(0.09)	(1.92)	2.99	(4.75)	3.15	5.77
(ii) Income Tax related to the item above	-	-	0.01	-	-	-
<b>Other Comprehensive Income/ (Loss) (Net of Tax)</b>	<b>(0.03)</b>	<b>0.10</b>	<b>2.73</b>	<b>(3.24)</b>	<b>2.09</b>	<b>6.62</b>
<b>Attributable to:</b>						
<b>Equity holders of the Parent</b>	<b>0.13</b>	<b>1.06</b>	<b>1.28</b>	<b>(0.75)</b>	<b>0.58</b>	<b>3.46</b>
Non-controlling interest	(0.16)	(0.96)	1.45	(2.49)	1.51	3.16
<b>(0.03)</b>	<b>0.10</b>	<b>2.73</b>	<b>(3.24)</b>	<b>2.09</b>	<b>6.62</b>	
<b>13 Total Comprehensive Income/ (Loss) for the Period (11+12)</b>	<b>(65.65)</b>	<b>(217.69)</b>	<b>(45.53)</b>	<b>(499.78)</b>	<b>(188.98)</b>	<b>(392.57)</b>
<b>Attributable to:</b>						
<b>Equity holders of the Parent</b>	<b>(67.87)</b>	<b>(210.70)</b>	<b>(49.58)</b>	<b>(477.28)</b>	<b>(195.82)</b>	<b>(397.28)</b>
Non-controlling interest	2.22	(6.99)	4.05	(22.50)	6.84	4.71
<b>(65.65)</b>	<b>(217.69)</b>	<b>(45.53)</b>	<b>(499.78)</b>	<b>(188.98)</b>	<b>(392.57)</b>	
<b>14 Paid-up Equity Share Capital /Face Value ₹ 4/- per share)</b>	39.47	39.46	23.47	39.47	23.47	23.47
<b>15 Other Equity</b>						573.83
<b>16 Earning Per Share in Rs (Not Annualised)</b>						
<b>Continuing Operations</b>						
-Basic	(3.01)	(19.60)	(4.76)	(45.67)	(22.03)	(46.92)
-Diluted	(3.15)	(19.51)	(4.71)	(45.65)	(21.83)	(46.59)
<b>Discontinuing Operations</b>						
-Basic	(2.14)	(3.10)	(1.83)	(7.69)	(3.47)	(5.10)
-Diluted	(2.16)	(3.08)	(1.82)	(7.69)	(3.44)	(5.06)
<b>Continuing and Discontinuing Operations</b>						
-Basic	(5.15)	(22.70)	(6.59)	(53.36)	(25.50)	(52.02)
-Diluted	(5.31)	(22.59)	(6.53)	(53.34)	(25.27)	(51.65)

As per our report of even date  
For Sorab S. Engineer & Co.  
Chartered Accountants  
Firm Registration No. 110417W

*Chokshi Shreyas B.*  
CA. Chokshi Shreyas B.  
Partner  
Membership No. 100892

Ahmedabad  
February 03, 2021

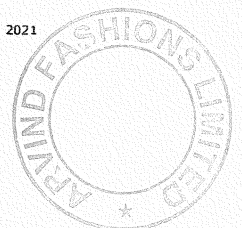


For Arvind Fashions Limited

*Shailesh Chaturvedi*

Shailesh Chaturvedi  
Managing Director & CEO  
DIN:03023079

Bengaluru  
February 03, 2021



ARVIND

Regd. Office : Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad - 380 025.  
CIN: L52399GJ2016PLC085595



## ARVIND FASHIONS LIMITED

A MEMBER OF THE LALBHAI GROUP

Corporate Office: Du Parc Trinity, 8<sup>th</sup> Floor, 17, M G Road, Bengahuru - 560 001  
Tel: 91 -80-4155 0601  
www.arvindfashions.com

### Notes to the Consolidated Financial Results:

- 1 The above consolidated financial results have been prepared in accordance with Indian Accounting Standards as prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 2 The above consolidated financial results for the quarter and nine month ended December 31, 2020 which have been subjected to review by the Statutory Auditors, were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on February 03, 2021 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The Statutory Auditors have expressed an unqualified audit opinion.
- 3 The Group is primarily engaged in the business of Branded Apparels (Garments and Accessories) which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting segment.
- 4 Due to Covid19, the fashion business has been severely impacted. This has led to lower sales, resulting into inventory build-up and slower collection of receivables. With easing of lockdown restrictions, the company's performance for the current quarter has been progressive and we expect the momentum to continue with an overall improvement in Covid situation.

The Group has taken several steps including raising of equity capital by way of rights issue of Rs. 399.79 Crores, strategic partnership with Flipkart India Private Limited for its youth brands Flying Machine which has resulted in cash flow of Rs. 260 Crores, discontinuation of certain brands, sharp reduction in overheads and closure of unviable stores. With objectives of faster releasing cash and have fresh inventory offered to customers, the Group has decided to offer higher discounts to liquidate old inventory rapidly and take back goods sold from customers where collection of funds is getting delayed and sell it through other channels for faster liquidation. In order to achieve these objectives, during the quarter ended December 31, 2020, the Group has made special provision of Rs. Nil consisting of Rs. Nil for Margin on Sales Return and Scheme and Discounts, Rs. Nil for Inventory Dormancy and Rs. Nil for Allowance for Doubtful Debtors. (Quarter ended September 30, 2020 and nine months ended December 31, 2020, Rs. 157.11 Crores, Rs. 34.74 Crores, Rs. 96.83 Crores and Rs. 25.54 Crores respectively; Year ended March 31, 2020: Rs. 60.69 Crores, Rs. 37.49 Crores, Rs. 13.19 Crores and Rs. 10.01 Crores respectively) which are disclosed under Exceptional Items.

The Company believes that this pandemic is not likely to impact the recoverability of the carrying value of its assets further. The Company is closely monitoring the developments and possible effects that may result from the present pandemic on its financial condition, liquidity and operations and working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these Results.

- 5 The Parent Company and Arvind Lifestyle Brands Limited (ALBL), a wholly owned subsidiary Company have transferred by way of sale, the wholesale trading business and retail trading business of "Flying Machine" ("FM") brand respectively as a going concern to Arvind Youth Brands Private Limited (AYBPL), a subsidiary company on a slump sale basis for a lump sum consideration of Rs. 61.90 Crores and Rs. 151.30 Crores respectively during the quarter ended September 30, 2020.

The Flipkart India Private Limited has purchased a significant minority stake in AYBPL through purchase of Compulsorily Convertible Preference Shares for Rs. 260 Crores. Rs. 111.91 crores, being the gain on sale of shares has been disclosed under Exceptional Items during the quarter ended September 30, 2020.

- 6 The Ministry of Corporate Affairs vide notification dated July 24, 2020, issued an amendment to Ind AS 116-Leases, by inserting a practical expedient w.r.t "Covid-19-Related Rent Concessions" effective from the period beginning on or after April 01, 2020. Pursuant to the above amendment, the Group has applied the practical expedient by accounting the unconditional rent concessions of Rs. 6.68 Crores (Rs. 14.31 Crores for the quarter ended September 30, 2020 and Rs. 85.87 Crores for the nine months ended December 31, 2020) The above unconditional rent concessions for the quarter ended December 31, 2020 includes Rs. 0.49 Crores pertaining to periods after December 31, 2020. Unconditional rent concession for the quarter ended September 30, 2020 included Rs. 14.84 Crores pertaining to periods after September 30, 2020.

- 7 During the quarter, the Company has allotted 27,000 equity shares (quarter ended September 30, 2020: Nil, quarter ended December 31, 2019: Nil, year ended March 31, 2020: 6,84,691) pursuant to exercise of stock options by employees.

- 8 The National Company Law Tribunal (NCLT), vide its order dated July 14, 2020 has approved the scheme of amalgamation of Tommy Hilffger Arvind Fashion Private Limited with Calvin Klein Arvind Fashion Private Limited now renamed as PVH Arvind Fashion Private Limited. The scheme has become effective with appointed date i.e. April 01, 2019. As required by applicable accounting standard the consolidated financial results of previous periods have been restated.

- 9 On June 21, 2020, the Board of Directors of the Company had approved the revised size of Rights Issue of 3,99,79,347 shares of face value of Rs. 4 each (the "Rights Issue Shares") at a price of Rs. 100 per Rights Equity Shares (including premium of Rs. 96 per Rights Equity Share) in the ratio of 62:91, i.e. 62 Rights Equity Shares for every 91 existing Equity Shares held by the eligible equity shareholders on the record date, i.e. March 18, 2020. On July 24, 2020, the Company has approved the allotment of 3,99,79,347 equity shares of face value Rs. 4/- each to the eligible equity shareholders as fully paid up. There is no deviation in use of proceeds from the objects stated in the Offer document for Right issue.


Pursuant to IND AS 33, basic and diluted earnings per share for the previous periods have been restated for the bonus element in respect of right issue.

- 10 The Management of Arvind Lifestyle Brands Limited (ALBL), a wholly owned subsidiary of the Company has decided to discontinue Brands like GAP, Hanes, New Port and Ruf & Tuf. Accordingly, the activities of these brands business that are considered as disposal group are presented as a discontinued operation in accordance with the provisions of Indian Accounting Standard 105 - 'Non-current Assets Held for Sale and Discontinued Operations'. Consequently, Loss before tax and tax expenses relating to these brands business have been disclosed separately as discontinued operations as part of the above results. The previous periods have been re-classified to give effect to the presentation requirements of Ind AS 105: Non-current Assets Held for Sale and Discontinued Operations.

- 11 The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contribution by the Company towards Provident Fund, Gratuity and ESIC. The Code has been published in the Gazette of India. However effective date has yet not been notified. the Group will assess the impact of the Code and will record related impact in the period it becomes effective.

- 12 Previous period's figures have been regrouped/rearranged wherever necessary, to conform to current period presentation.

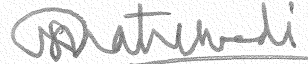
For Sorab S. Engineer & Co.  
Chartered Accountants  
Firm Registration No. 110417W

  
CA. Chokshi Shreyas B.  
Partner  
Membership No. 100892

Ahmedabad  
February 03, 2021



For Arvind Fashions Limited



Shailesh Chaturvedi  
Managing Director & CEO  
DIN:03023079

Bengaluru  
February 03, 2021



## PRESS RELEASE

### **Arvind Fashions delivers strong performance with 106% Q-o-Q growth and cash breakeven; Continues journey of strengthening balance sheet**

**Bengaluru, February 3, 2021:** Arvind Fashions Limited (AFL), India's leading casual and denim player, has declared its financial results for the third quarter and nine months ended Dec 31, 2020.

#### Key Points

- Q3 FY21 revenue grew sequentially by 106%, driven by Q-o-Q momentum on account of stronger festive season and winter shopping, along with increased footfalls across the stores as the lockdown gradually lifted. This was further aided by continued traction in the online channel
- Overall, revenue reached 86% of last year levels in Q3 FY21. Sales recovery trajectory (Y-o-Y) was stronger across all the channels
- Power brands achieved a sales recovery of 91% with similar profitability compared to Q3 FY20, after investing behind the brands significantly and higher liquidation of old inventories to improve freshness going forward
- Unlimited achieved a positive EBIDTA for the quarter due to good sales recovery (for like-to-like stores) and the significant restructuring of costs
- Seamless omni-channel and digital solutions are yielding significant results. Overall online channel sales increased by 130% Y-o-Y in Q3 FY21; Direct to consumer online sales witnessed 3.3x growth over last year and now comprise 38% of our digital sales
- Deep execution on revenue as well as cost management enabled the company to achieve turnaround in profitability during the quarter for its continuing business, to post EBITDA (pre-IndAS) of 34 Crs in Q3 FY21 compared to 30 Crs in Q3 FY20. Continuing business achieved cash breakeven for the quarter
- Balance Sheet has been strengthened compared to Mar'20 with
  - Gross & net working capital reduction by 400+ and 250+ Crs respectively in YTD FY21 through efficient inventory management and new ways of buying
  - Reduction in net debt by 300+ Crs

Commenting on the performance of the company, **Mr. J Suresh, MD & CEO** said "We're quite pleased with better than expected sales recovery through improved footfalls during the festival period which has resulted in significantly improved profitability and a cash breakeven for continuing business in Q3 FY21. Our focus on digital and omni-channel initiatives and a deep cost focus continue to deliver robust outcomes. At the back of strong Q3, we expect H2 FY21 to be significantly better in terms of sales & profitability growth"

**Mr. Shailesh Chaturvedi, newly appointed MD & CEO** said, "AFL has emerged stronger from the pandemic crisis and I'm quite excited to lead our journey of providing enhanced customer experience. Our leadership positioning in casual, denim and prestige beauty segment will enable AFL to pursue accelerated growth in the long term and create value for all our stakeholders"

#### Consolidated Financial Performance Summary

Rs. Crore	Q3 FY21	Q3 FY20	Y-o-Y Growth	Q2 FY21	Q-o-Q Growth
Revenues	901	1,052	(14%)	437	106%
EBITDA	84	124	(32%)	(18)	
PBT before exceptional items	(34)	(67)		(151)	
PAT including discontinued Operations	(68)	(51)		(212)	

With the benefit of the lower inventory levels and new ways of buying resulting in improved freshness of our stock across the channels and continued normalization of customer sentiments, we remain optimistic to improve sales through for the upcoming season, barring any significant flare up in COVID 19 pandemic.

## **Rights Issue**

The Board has approved issue of equity shares for an amount up to Rs. 200 Crs on rights basis. The Board evaluated various options and is of the view that rights issue would be an equitable mode of fund raising as it gives its shareholders an equal opportunity to participate in the growth of the Company. The Company intends to utilize the funds to meet its objectives of strengthening its balance sheet and for general corporate purposes, including working capital for growth.

Subject to finalization of terms & conditions of the issue, the Promoter and Promoter Group, collectively intend to fully subscribe to their rights entitlement and have reserved their right to subscribe to any additional Equity Shares, in the event of under-subscription of the said Issue, subject to applicable laws.

## **About AFL**

Arvind Fashions Ltd is India's no. 1 casual and denim player, a lifestyle powerhouse with a strong portfolio of fashion brands catering to consumers across the sub-categories and price points. With a host of renowned brands, both international and indigenous, like US Polo Assn., Arrow, Tommy Hilfiger, Calvin Klein, Flying Machine and Sephora, it has presence across lifestyle brands, value fashion and prestige beauty.

### **For more information, please contact:**

Ankit Arora

Head – Investor Relations

Arvind Fashions Limited

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### *Disclaimer:*

*This document by Arvind Fashions Limited ('the Company') contains forward-looking statements that represent our beliefs, projections and predictions about future events or our future performance. These forward-looking statements are necessarily subjective and involve known and unknown risks, uncertainties and other important factors that could cause our actual results performance to differ materially from any future results or performance described in or implied by such statements. The forward-looking statements contained herein include statements about the Company's business prospects, its ability to attract customers, its expectation for revenue generation and its outlook. These statements are subject to the general risks inherent in the Company's business. These expectations may or may not be realized. Some of these expectations may be based upon assumptions or judgments that prove to be incorrect. In addition, the Company's business and operations involve numerous risks and uncertainties, many of which are beyond the control of the Company, which could result in the Company's expectations not being realized or otherwise materially affect the financial condition, results of operations and cash flows of the Company. The forward-looking statements are made only as of the date hereof, and the Company does not undertake any obligation to (and expressly disclaims any obligation to) update any forward-looking statements to reflect events or circumstances after the date such statements were made, or to reflect the occurrence of unanticipated events.*



**Arvind Fashions Limited**  
Q3 FY21 Results Presentation  
Feb 2021



# Agenda

Q3 Performance Highlights .....



Q3 & YTD Results with IndAS .....



Q4 Outlook .....



## Q3 FY21 Highlights

1

Sales more than **Doubled** between Q2 & Q3 with recovery of **86%**

2

Gross Working Capital reduced by **Rs. 400+ Crs**

3

**USPA** : Sales Recovery at **91%**. Brand back to annualized run rate of **Rs. 1,000+ Crs** with double digit EBITDA (pre-IndAS). Brand extensions - Innerwear & Footwear on profitable growth trajectory

4

**TH/CK** : Sales Recovery at **97%** with highest ever profitability - double digit EBITDA with **36%** Y-o-Y Growth

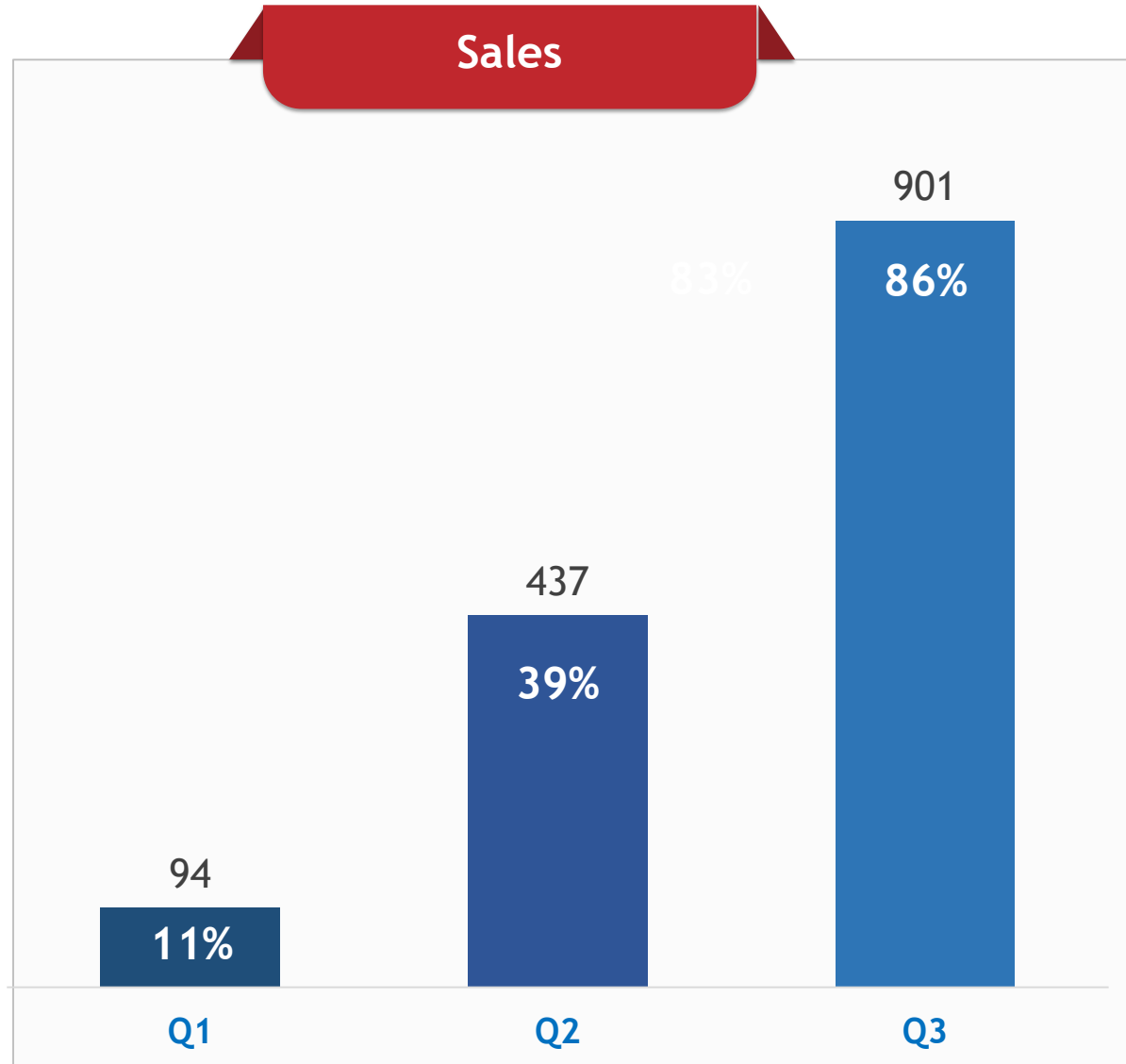
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**Flying Machine** : High Online Growth of **70%** aided by Flipkart strategic partnership

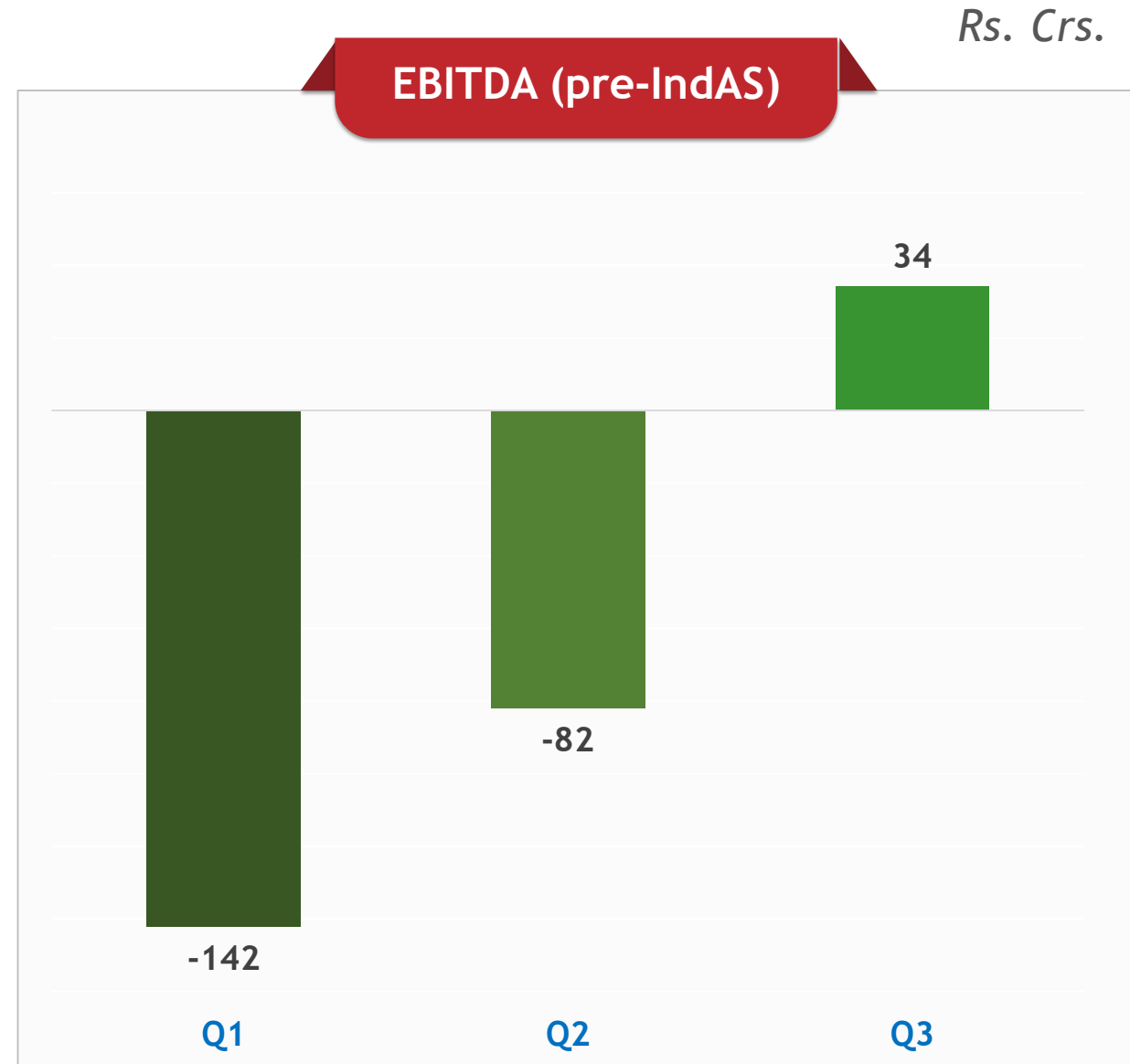
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**Unlimited** : Positive EBITDA with **68%** Sales Recovery. Achieved due to margin improvement & cost optimization

# Sales Recovery & EBITDA

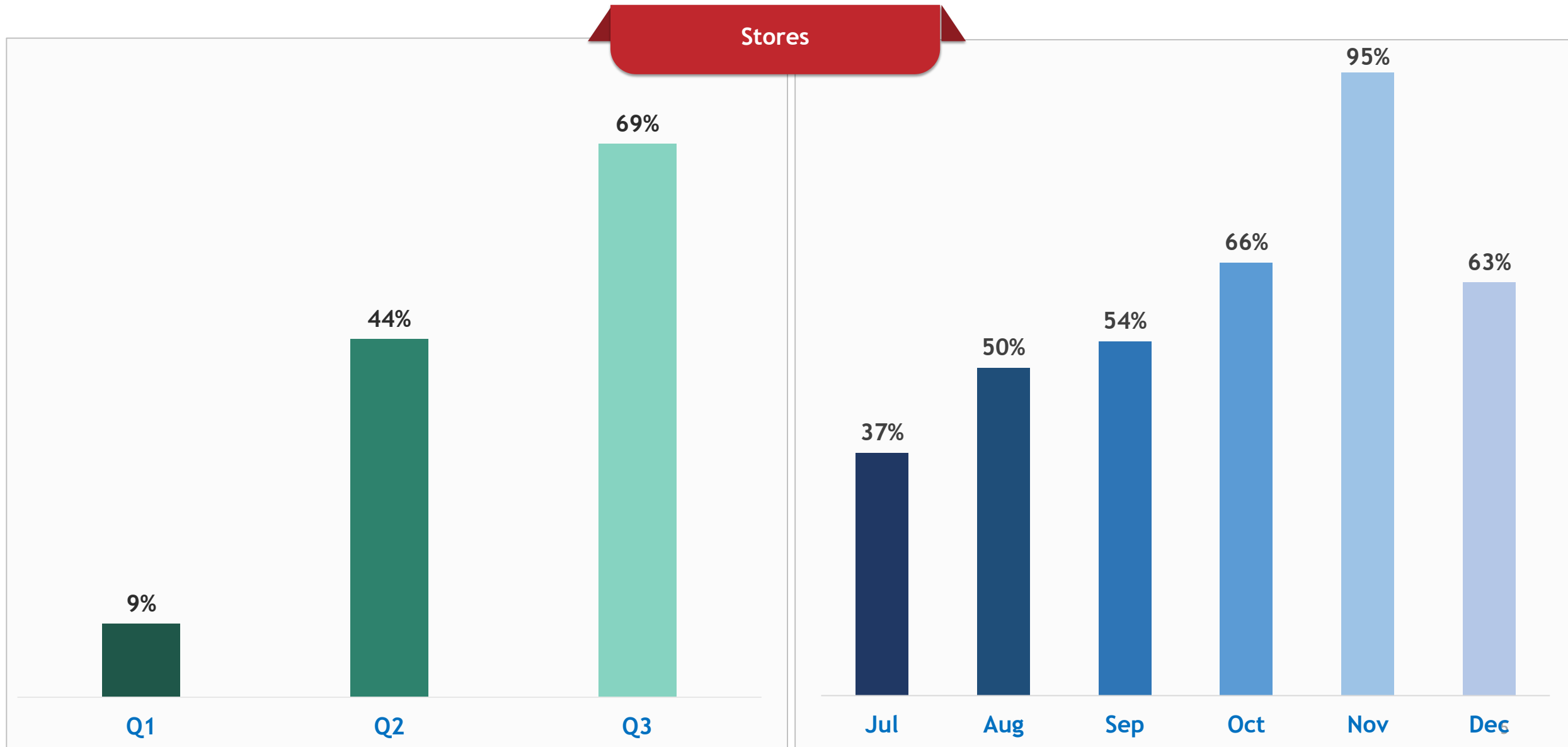


**Sales Doubled between Q2 & Q3**



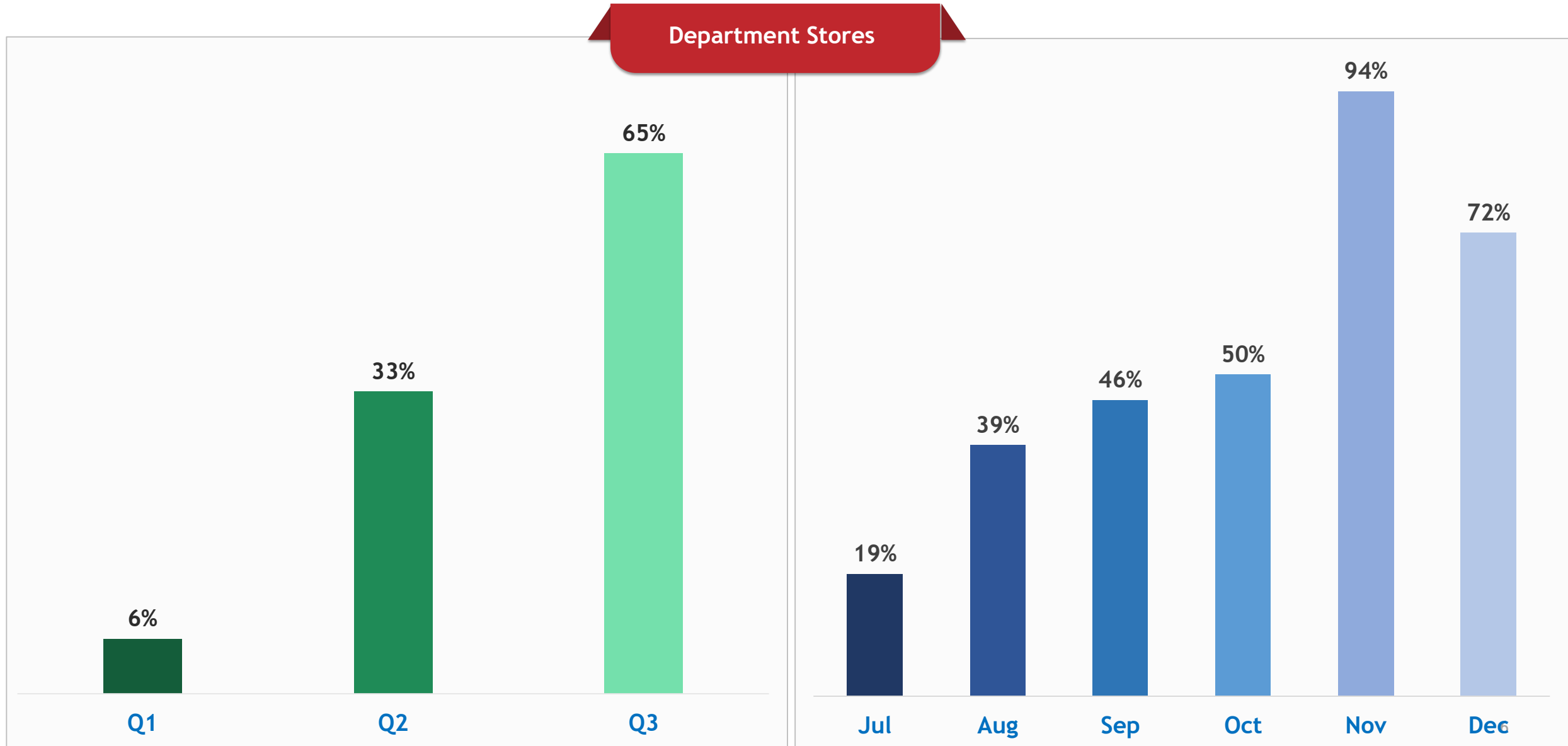
\* Continuing Brands

## Sales Recovery : Stores

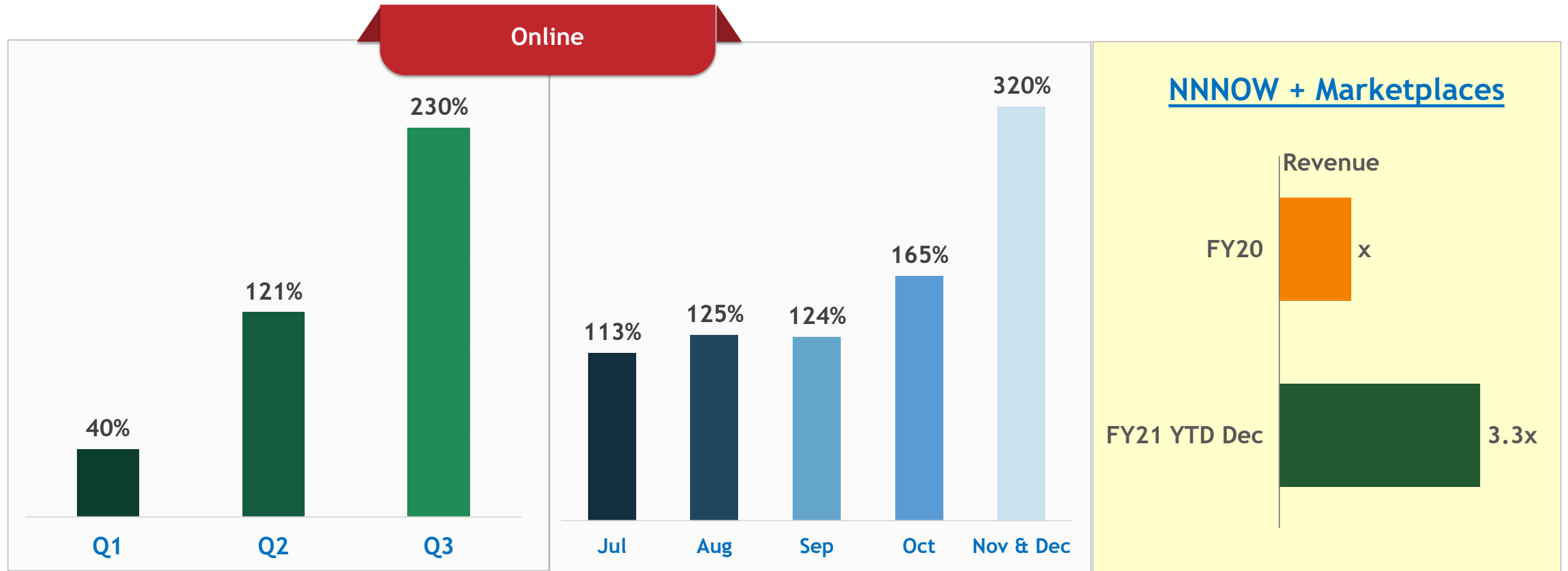




## Sales Recovery : Department Stores




# Sales Recovery : Online



# Agenda

Q3 Performance Highlights ..... 

Q3 & YTD Results with IndAS ..... 

Q4 Outlook ..... 

# Q3 FY21 - Performance Snapshot




(Figures in INR Crs)



Revenue from Operations (continuing operations)
Other Operating Income (Rent concessions)
Total Income
EBITDA
PBT
Exceptional Items
PBT for Discontinuing Operations
PAT

Reported			
Q3 FY21	Q2 FY21	Change	Q3 FY20
901	437	106%	1051
10	27	(63%)	11
911	464	96%	1062
84	(18)	-	124
(34)	(151)	-	(67)
-	45	-	-
(22)	(28)	-	(14)
(68)	(212)	-	(51)

## Groupwise Performance

	Sales (Rs Crs.)		Without IndAS		Reported	
	Q3 FY21	% Recovery	EBITDA (Rs Crs.)		EBITDA (Rs Crs.)	
			Q3 FY20	Q3 FY21	Q3 FY20	Q3 FY21
 <b>Power Brands</b>	639	97%	41	36	94	63
 <b>Specialty Retail</b>	178	70%#	-1	2	35	20
 <b>Emerging Brands</b>	85	79%	-10	-3	(5)	0
<b>Total</b>	901	86%	30	34	124	84

Note: Continuing Brands only

# Continuing Stores for Unlimited




# YTD Performance Snapshot

(Figures in INR Crs)



	Reported		
	YTD Q3 FY20	YTD Q3 FY21	Growth
Revenue from Operations (continuing operations)	2,940	1,433	(51%)
Other Operating Income (Rent concessions)	18	103	
Total Income	2,958	1,535	(48%)
EBITDA	268	24	
PBT	(259)	(368)	
Exceptional Items	-	45	
PBT for Discontinuing Operations	(33)	(69)	
PAT	(196)	(477)	

# YTD Q3 Groupwise Performance

	Sales (Rs Crs.)		Without IndAS		Reported	
			EBITDA (Rs Crs.)		EBITDA (Rs Crs.)	
	YTD FY21	% Recovery	YTD FY20	YTD FY21	YTD FY20	YTD FY21
 Power Brands	964	51%	108	(92)	259	29
 Specialty Retail	310	43%	(33)	(53)	63	21
 Emerging Brands	159	50%	(19)	(45)	(54)	(26)
<b>Total</b>	<b>1433</b>	<b>49%</b>	<b>56</b>	<b>(189)</b>	<b>268</b>	<b>24</b>

Note: Continuing Brands only

# Strong Presence in Categories Recovering Faster

Accelerated Casualization & Work from Home

## Casual Brands



- USPA/TH/FM/CK portfolio of strong casual brands recovering faster
- High sell-through in Winter wear
- Power brands recovery rate **90%+** in Q3 FY21

## Innerwear/ Comfortwear



- Strong consumer off-take in the comfort wear and thermals
- Recovery rate **90%+** in Q3 FY21

## Footwear



- Recovery witnessed across all channels
- Sneaker, athleisure & home collection driving growth
- New product launches across active & fashion sneakers
- Recovery rate **130%+** in Q3 FY21

## Kidswear



- Strong demand for kids clothing
- Recovery rate **80%** in USPA and **85%** in Unlimited kidswear in Q3 FY21

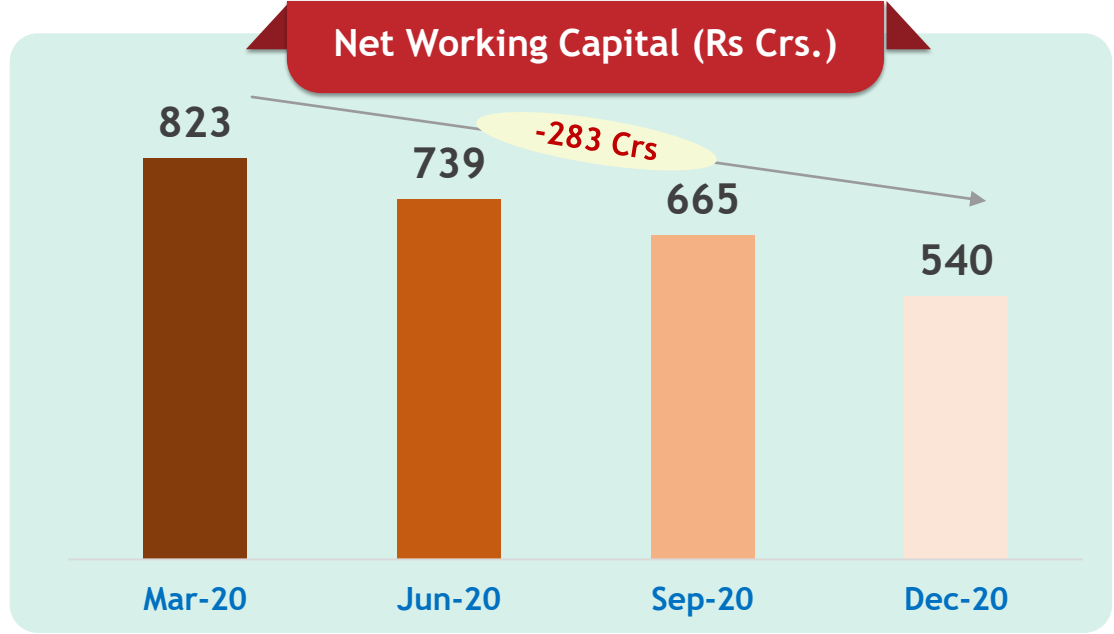
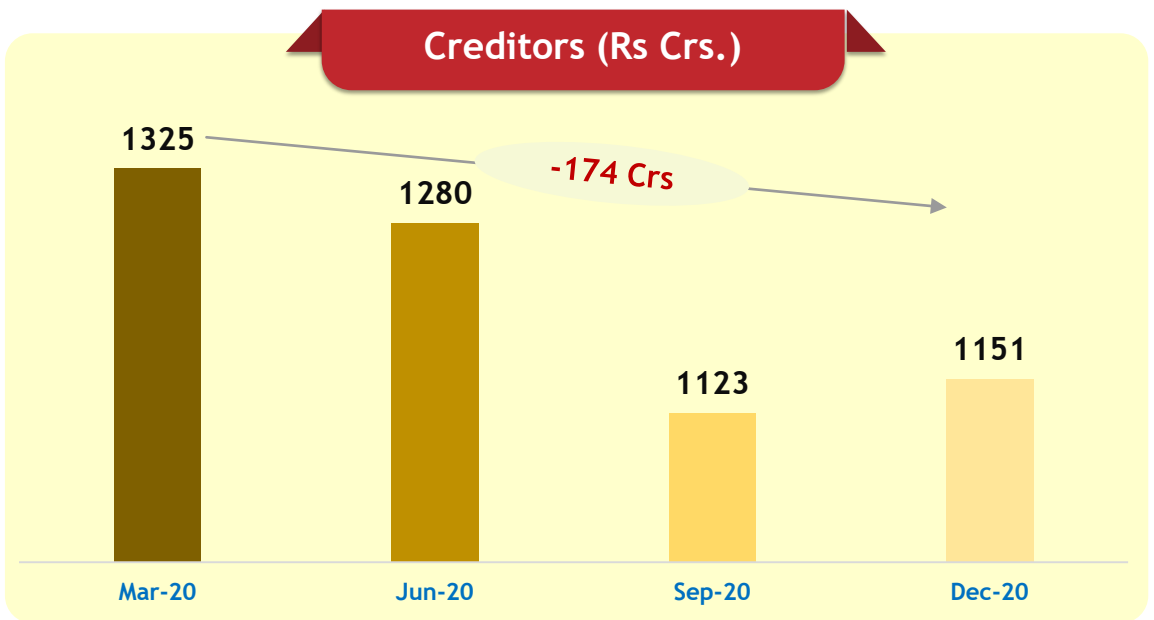
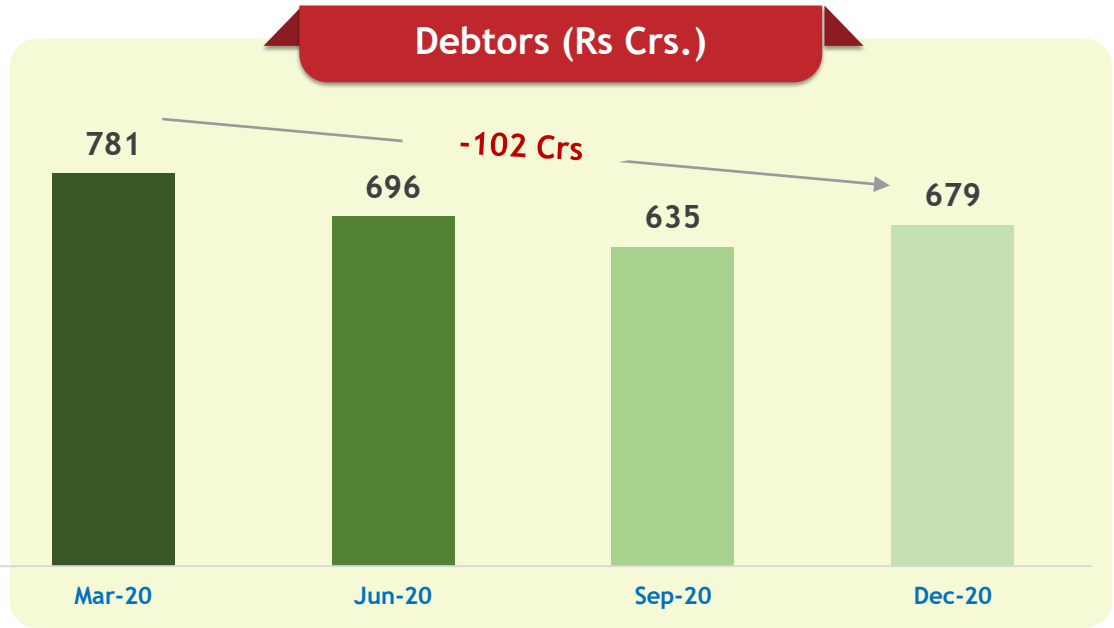
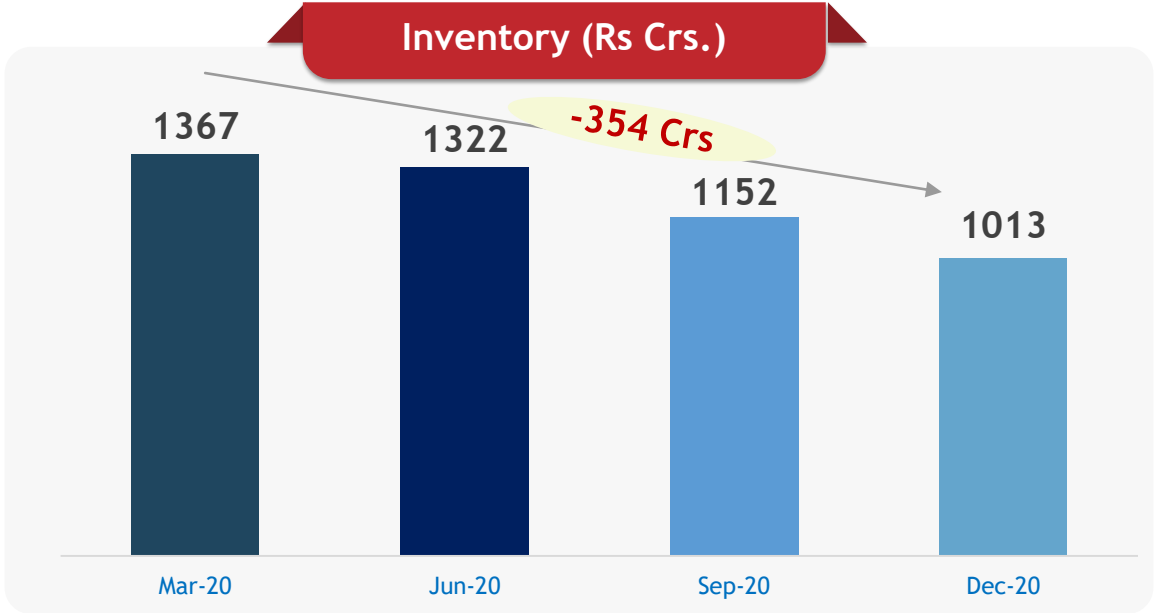
## DIY Beauty



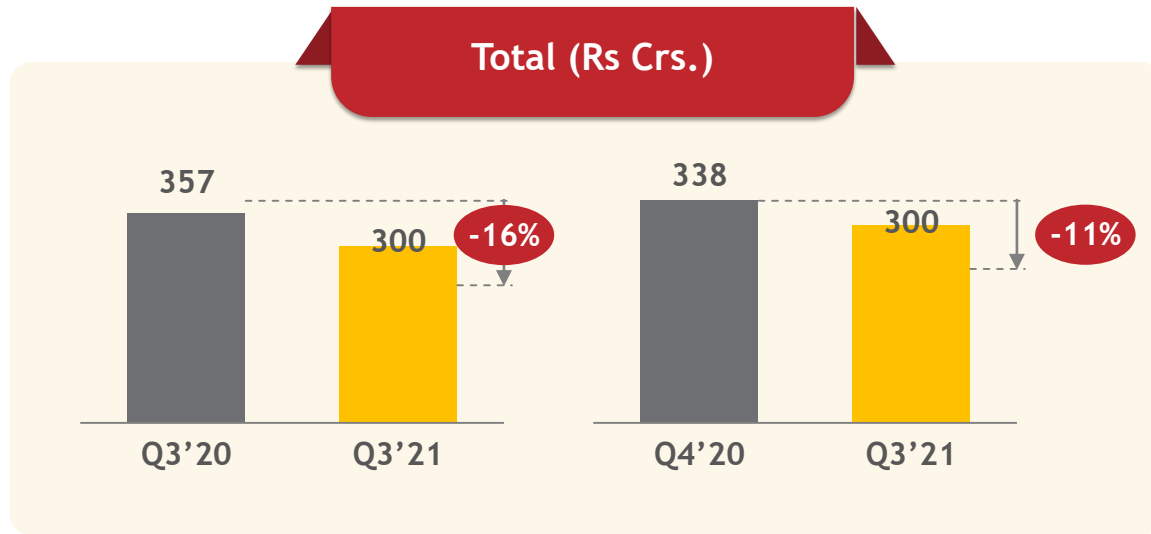
- Strong omni-push for stores
- **2.7x** Y-o-Y growth in online
- Recovery rate **70%+** in Q3 FY21



# Working Capital



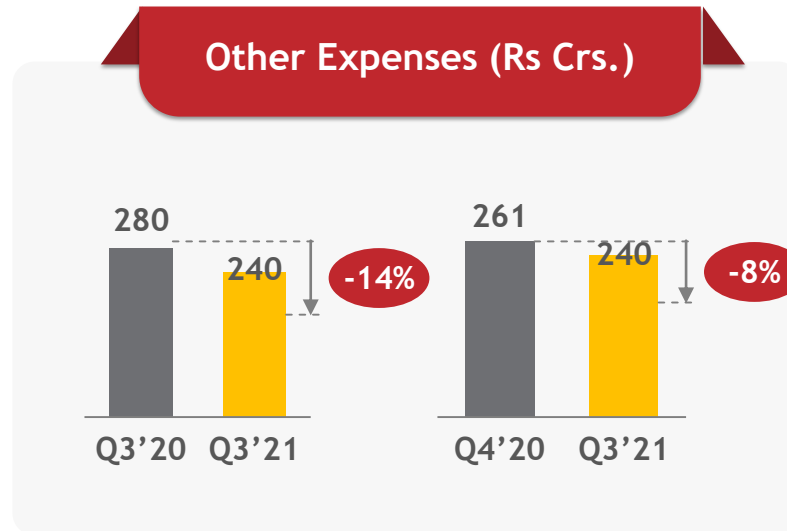
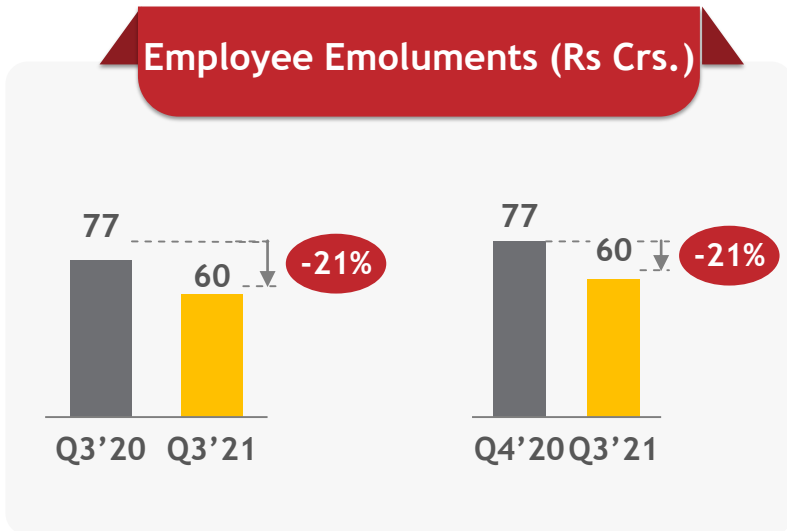
# Cost Control



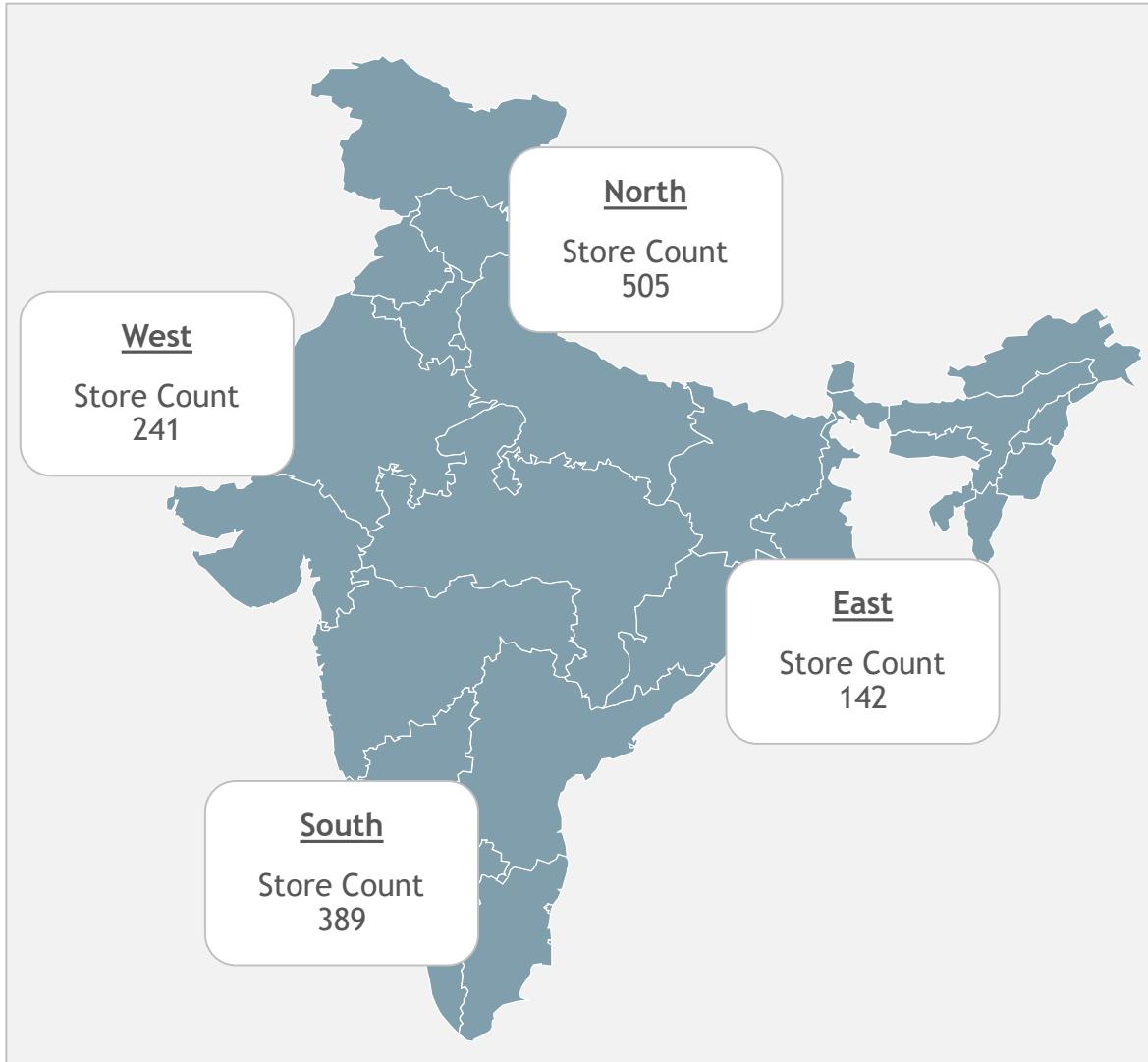
**Rent Savings (Rs Crs.)**

- Booked in Q1: Rs 70 Crs
- Booked in Q2: Rs 29 Crs
- Booked in Q3 : Rs 21 Crs

	Booked in Q1	Booked in Q2	Booked in Q3
Q1	41.3	-	-
Q2	18.0	25.5	-
Q3	8.5	2.4	20.2
Q4	2.5	1.1	0.5
<b>Total</b>	<b>70.3</b>	<b>29.1</b>	<b>20.7</b>



# Distribution Footprint



	Q3 FY21 Exit	
	Store Count	Sq Ft (Lacs)
Stores	1277	20.0
Dept. Stores	3500+	-
MBO	10000+	-
Innerwear Wear MBO	13000+	-
Number of Stores Opened in Q3 : 45		

## Q3 FY21 Summary

### Growth Drivers

- 6 Strong Brands with leading market positions to drive growth with improved Profitability and ROCE
- As a leading Casual - Wear player, product portfolio well suited to 'new normal' consumer requirements. High percentage recovery of USPA & TH testimony to this
- Strongly placed to gain share in Kidswear, Innerwear & Beauty
- Strategic tie-up with Flipkart has started to unlock significant growth opportunities for Flying Machine
- Early investment in technology enabling company to scale up Omni and E-Commerce Sales


- Portfolio rationalization completed. All resources focused on 6 brands
- USPA / TH / CK exhibiting strong momentum with high percentage sales recovery
- Innerwear and Footwear on Growth Path. USPA Footwear won best footwear brand award in Mynta Awards Function
- FK partnership started delivering results; 70%+ online growth
- Online / Omni annualized sales at Rs. 1000 Crs +

### Cost & Cash

- Structural Reduction in cost to improve profitability when sales get back to normal
- New ways of buying to release cash through reduction in inventory
- Company adequately capitalized with inflow of Rs. 660 Crs, through a combination of rights issue of Rs. 400 crs and strategic investment

- On course to deliver Rs. 120 Crs reduction in cost
- Reduction in Inventory of Rs. 400 Crs +
- Balance Sheet to be further strengthened with proposed Rights Issue of Rs. 200 Crs

# Agenda

Q3 Performance Highlights ..... 

Q3 & YTD Results with IndAS ..... 

Q4 Outlook ..... 

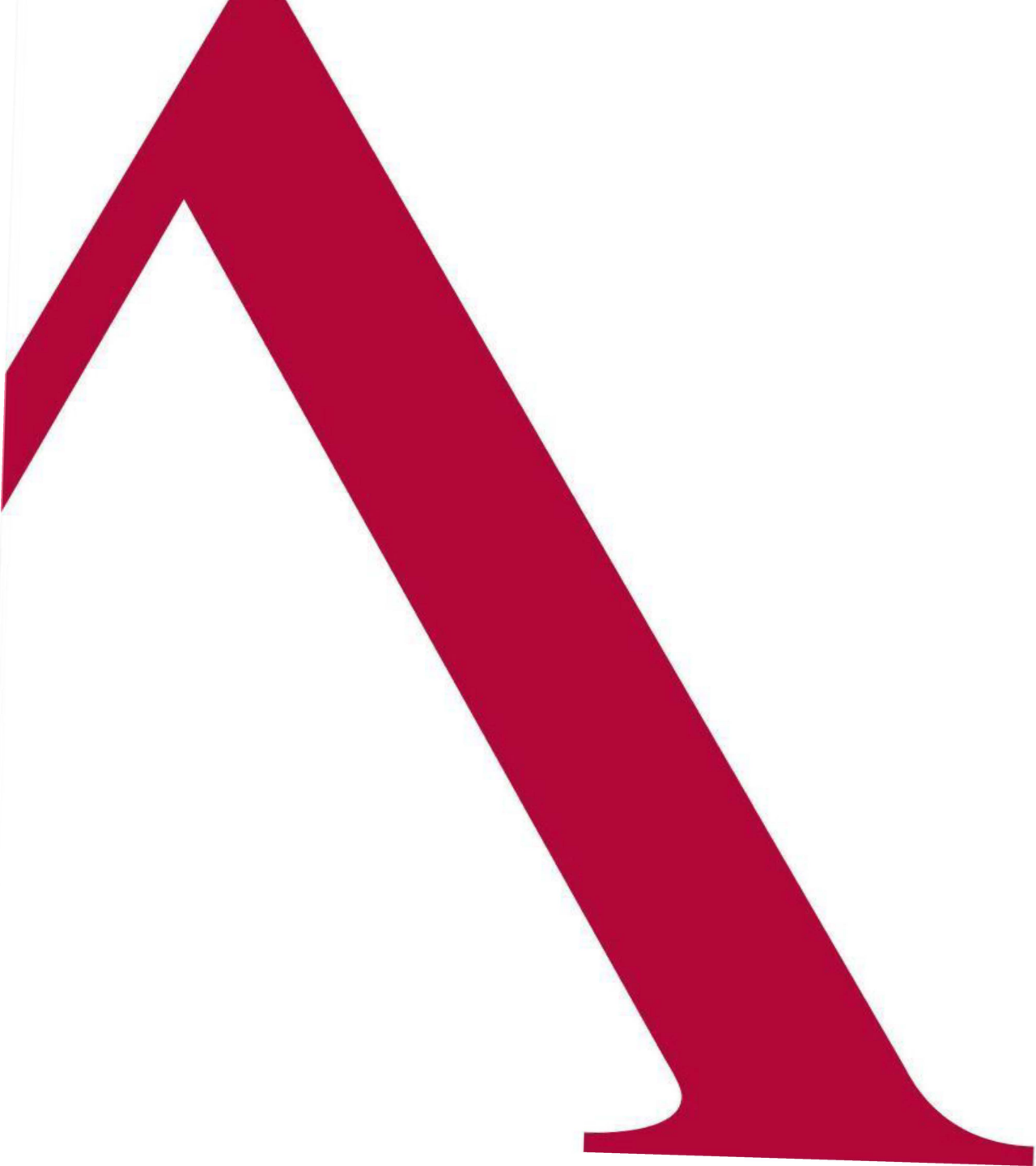
# Q4 Outlook

## Channel Performance

- Offline sales recovery in January better than December. Overall Q4 revenues to be higher than last year
- Online sales will continue high double digit growth
- While sales recovery is healthy in the MBO channel, the company is taking a more cautious view on billing and will have lower sales than usual in Q4

## Costs

- Product cost estimated to go up due to sharp increase in cotton and yarn prices. Margin pressure will be mitigated through price increases
- Structural cost savings will continue to accrue however the cost savings on account of rental reductions will moderate



Thank You